

**Audit, Finance & Risk Committee****3 March 2022****Page 1 of 8****Minutes of a meeting of the Audit, Finance & Risk Committee held on Thursday 3 March 2022 via Zoom commencing at 10.00am****Present**

Mr Stuart McLauchlan (Chair), Councillor Heath Copland, Councillor Glyn Lewers, Councillor Niamh Shaw, Mr Bill Moran and Mr Roger Wilson (all via Zoom)

**In Attendance**

Mr Mike Theelen (Chief Executive), Mr Stewart Burns (General Manager Finance, Regulatory & Legal), Ms Meaghan Miller (General Manager, Corporate Services), Mr Peter Hansby (General Manager Property & Infrastructure), Ms Michelle Morss (Strategic & Development Manager), Mr Paddy Cribb (Finance Manager), Ms Emily Carter (Financial Accountant), Mr Bill Nicholl (Risk and Resilience Manager), Ms Meghan Pagey (People & Capability Director), Mr Alan Thomas (Health & Safety Manager), Ms Nichola McKernan (Chair, QLDC Health and Safety Committee) Ms Katherine Durman (Climate Action Coordinator), Ms Zoe Burton (Senior Legal Counsel), Mr Miles O'Connor (Bancorp), Ms Rebecca Saunders (Wynn Williams) and Ms Jo Dobb (Governance Advisor)

**Apologies**

None.

**Declaration of Conflicts of Interest**

No declarations of conflict were made.

**Public Forum**

There were no speakers in the public forum.

**Matters Lying on the Table**

There were no matters lying on the table.

**Confirmation of Agenda**

**On the motion of Mr McLauchlan and Mr Moran the Audit, Finance & Risk Committee resolved that the agenda be confirmed without addition or alteration.**

### **Confirmation of Minutes**

**On the motion of Mr Wilson and Councillor Lewers the Audit, Finance & Risk Committee resolved that the public part of the minutes of the meeting held on 14 October 2021 be confirmed as a true and correct record.**

**1. December YTD Actual to December YTD Budget Financial Overview; December Capital Expenditure Reporting Overview, December Debtors Analysis, December Statement of Financial Position**

A report by Mr Paddy Cribb (Finance Manager) and Emily Carter (Financial Accountant) presented the 2021:22 December Year to Date (YTD) Actual to Budget financial results, Capital Expenditure financial results, December 21 Debtors Analysis and Statement of Financial Position.

Mr Cribb spoke to the reports and attachments detailing significant transactions and variances to budget, noting a loss in revenue due to the impacts of COVID-19. The Committee had a discussion regarding resourcing and potential impacts, noting the challenging labour market.

**On the motion of Mr McLauchlan and Mr Wilson the Audit, Finance & Risk Committee resolved that the contents of the report be noted.**

**2. Sensitive Expenditure**

A report by Ms Emily Carter (Financial Accountant) and Mr Paddy Cribb (Finance Manager) described the steps taken to assess sensitive expenditure against delegations and policy.

The report was taken as read and the Committee discussed the details and corresponding attachments. It was noted there were no major discrepancies to report and professional services spend was featured within the report (as attachments).

**On the motion of Mr Moran and Councillor Shaw the Audit, Finance & Risk Committee resolved that the contents of the report be noted.**

**3. Risk Management Update**

A report from Mr Bill Nicoll (Risk and Resilience Manager), Ms Meaghan Miller (General Manager Corporate Services), and Ms Michelle Morss (Strategy &

Development Manager), provided an update on the risk context facing Council and the resilience building being undertaken in response.

Mr Nicoll presented the report and noted it contained a link to the Office of Auditor General's final report 'Observations on Local Government Risk Management Practices' which had been presented to parliament and released to the public. This report provided an overview of risk management across the local government sector along with findings and recommendations relating to risk management best practice.

The Committee discussed the workforce review, noting the programme's focus was on reviewing the design of the organisation structure, and understanding capability and capacity needs.

**On the motion of Councillor Copland and Mr Moran the Audit, Finance & Risk Committee resolved that the contents of the report be noted.**

#### **4. QLDC Organisational Health, Safety and Wellbeing Performance**

A report by Mr Alan Thomas (Health & Safety Manager) and Ms Meghan Pagey (People & Capability Director) provided the Committee with an update on the Health & Safety performance of the organisation.

Ms Pagey delivered the report, noting:

Business continuity: A decision was made in this reporting period by the executive team that all staff roles would be required to be vaccinated. The impact on the small number of staff who have chosen not to be vaccinated was being managed.

Significant events: There were no notifiable employee events during the reporting period, however it was highlighted that there was increased tension in the community which had flowed through to interactions with front line staff. This would continue to be monitored and actions put in place if needed, noting staff safety was the priority.

Contractors: Officers had reviewed the historic trend of incidents regarding underground strikes and had decided to follow the NZ Utility Group guidelines which were widely used throughout the industry and were considered best practice.

**On the motion of Mr Moran and Councillor Copland the Audit, Finance & Risk Committee resolved that the contents of the report be noted.**

**5. Climate Action Plan Update**

A report from Ms Katherine Durman (Climate Action Coordinator), Michelle Morss and Meaghan Miller informed the Committee on the Climate Action Plan (CAP) priorities and progress.

Mr Nicoll and Ms Durman presented the report and commented that over the last ten months the 2022-2025 Climate Action Plan had been co-designed with the Climate Reference Group, community stakeholders, partners, experts and staff. A key change was the plan had become the Climate and Biodiversity Action Plan (CBAP).

It was noted that the QLDC had committed to reviewing the Climate Action Plan each year in line with the Annual Plan cycle.

**On the motion of Mr McLauchlan and Councillor Lewers the Audit, Finance & Risk Committee resolved that the contents of the report be noted.**

**Resolution to Exclude the Public**

**On the motion of Mr McLauchlan and Mr Wilson the Audit, Finance & Risk Committee resolved to exclude the public from the following parts of the proceedings of the meeting:**

The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(1)(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution is as follows:

**Confirmation of Minutes:**

General subject to be considered:	Reason for passing this resolution:	Grounds under Section 7:
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General subject to be considered:	Reason for passing this resolution:	Grounds under Section 7:
6 Confirmation of Minutes (Public Excluded)	<p><i>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</i></p> <ul style="list-style-type: none"> <li>• maintain legal professional privilege</li> <li>• enable any local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>	<p>S 7(2)(g) S 7(2)(i)</p>

**Agenda Items:**

**Item 7: Treasury Update**

**Item 9: Legal Update**

And that the following persons remain because of their knowledge and expertise of matters in the following agenda items:

**Item 8: Mr Miles O'Connor (Bancorp)**

**Item 9: Ms Rebecca Saunders (Wynnwilliams)**

General subject to be considered:	Reason for passing this resolution:	Grounds under Section 7:

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7 Treasury Update	<p><i>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</i></p> <ul style="list-style-type: none"> <li>enable any local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>	S 7(2)(h)
8 Legal Update	<p><i>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</i></p> <ul style="list-style-type: none"> <li>maintain legal professional privilege</li> <li>enable any local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>	S 7(2)(g) S 7(2)(i)

This recommendation is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

*The meeting moved into public excluded at 11.15am.*

**PUBLIC EXCLUDED**

### Confirmation of Minutes (Public Excluded)

**On the motion of Councillor Lewers and Councillor Copland the Audit, Finance & Risk Committee resolved that the public excluded part of the minutes of the meeting held on 11 March 2021, be confirmed as a true and correct record.**

### 7. Treasury Update

A covering report by Mr Stewart Burns (GM Finance, Legal & Regulatory) appended a separate report from Mr Miles O'Connor of Bancorp which provided a status of Council's borrowing arrangements.

Mr Miles O'Connor (Bancorp) spoke to the report providing a global overview and update on current market conditions.

**On the motion of Mr McLauchlan and Councillor Copland the Audit, Finance & Risk Committee resolved that the contents of the report be noted.**

### 8. Legal Update

A report by Ms Zoe Burton (Senior Legal Counsel) provided an update on the Oaks Club and Oaks Shores claims as the quantum of both claims was significantly higher than the other claims against Council.

Ms Burton notified the Committee that since the report to Committee, two new potential claims (Jacks Point and Vancouver Drive) have been advised to Council, however proceedings had not yet been filed.

Ms Rebecca Saunders (Wynn Williams) provided an update on the Oaks Shore claim, particularly the ongoing increases in the quantum for this claim. Ms Saunders also provided an update on how the Oaks Club claim was resolved.

**On the motion of Mr McLauchlan and Councillor Shaw the Audit, Finance & Risk Committee resolved that the contents of the report be noted.**

**On the motion of Mr McLauchlan and Councillor Lewers the Audit, Finance & Risk Committee resolved that the public be readmitted to the meeting**

It was noted that Mr Moran could not attend the next meeting scheduled to take place on 6 June and the Chair suggested that an alternative date be sought.

*The meeting moved out of public excluded and concluded at 11.47am.*

**Confirmed as a True and Correct Record:**

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**Chairperson**

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**Date**